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## OMB APPROVAL

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**ANNUAL AUDITED REPORT  
 FORM X-17A-5  
 PART III**

## SEC FILE NUMBER

8- 32070

## FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 1/1/09 AND ENDING 12/31/09  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Christian Financial Services, LLC

## OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

1350 Golden Circle, Suite 304

(No. and Street)

Golden

Colorado

80401

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
 Doug Brode (303) 279-3130

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Stark Winter Schenkein &amp; Co., LLP

(Name - if individual, state last, first, middle name)

3600 S Yosemite Street, Suite 600

Denver

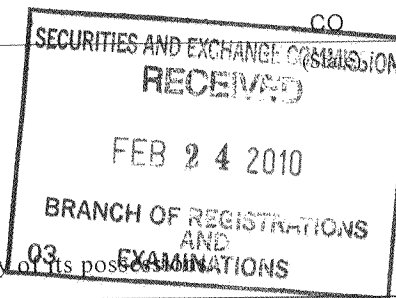
CO

80237

(Address)

(City)

(Zip Code)

**CHECK ONE:**☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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## OATH OR AFFIRMATION

I, Doug Brode, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Christian Financial Services, LLC, as of December 31,, 20 09, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

CHERYL L LIBRA  
Notary Public  
State of Colorado

Doug Brode  
Signature

CEO/Chief Compliance Officer

Title

Cheryl L. Libra  
Notary Public

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

STATE OF Colorado  
COUNTY OF Jefferson

SUBSCRIBED AND SWORN BEFORE ME THIS 11th DAY

OF Feb. 2010 BY Doug Brode  
Cheryl L. Libra EXP DATE 5/21/2012  
NOTARY

**Christian Financial Services, LLC**  
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## REPORT OF INDEPENDENT AUDITORS


To the Member  
Christian Financial Services, LLC

We have audited the accompanying statement of financial condition of Christian Financial Services, LLC, at December 31, 2009, and the related statements of operations and member's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Financial Services, LLC, as of December 31, 2009, and the results of its operations, and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Denver, Colorado  
February 9, 2010

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STARK • WINTER • SCHENKEIN & CO., LLP • Certified Public Accountants • Financial Consultants

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**Christian Financial Services, LLC**  
**Statement of Financial Condition**  
**December 31, 2009**

**ASSETS**

Cash	\$	15,605
Accounts receivable		2,000
Prepaid expenses		<u>3,000</u>
	\$	<u><u>20,605</u></u>

**LIABILITIES AND MEMBER'S EQUITY**

LIABILITIES	\$	-
MEMBER'S EQUITY		<u>20,605</u>
	\$	<u><u>20,605</u></u>

The accompanying notes are an integral part of these financial statements.

**Christian Financial Services, LLC**  
**Statement of Operations and Member's Equity**  
**For The Year Ended December 31, 2009**

**REVENUES**

Dealer account income	\$ 85,815
Interest income	1
Total revenues	<u>85,816</u>

**OPERATING EXPENSES**

5,613

**NET INCOME**

80,203

MEMBER'S EQUITY, beginning of year

29,302

Member's withdrawals

88,900

MEMBER'S EQUITY, end of year

\$ 20,605

The accompanying notes are an integral part of these financial statements.

**Christian Financial Services, LLC**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2009**

**OPERATING ACTIVITIES**

Net income	\$ 80,203
Adjustments to reconcile net income to net cash provided by operating activities:	
Decrease in accounts receivable	2,930
(Increase) in prepaid expenses	(705)
Net cash provided by operating activities	<u>82,428</u>

**INVESTING ACTIVITIES**

Net cash provided by investing activities	<u>-</u>
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**FINANCING ACTIVITIES**

Member withdrawals	<u>(88,900)</u>
Net cash used in financing activities	<u>(88,900)</u>

**NET DECREASE IN CASH** (6,472)

**CASH AT BEGINNING OF YEAR** 22,077

**CASH AT END OF YEAR** \$ 15,605

The accompanying notes are an integral part of these financial statements.

**CHRISTIAN FINANCIAL SERVICES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009**

**Note 1 – Summary of significant accounting policies**

**Organization**

Christian Financial Services, LLC (the “Company”), is a Colorado limited liability company organized on January 1, 2002. The Company is a broker/dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company operates primarily in the Denver metropolitan area as an introducing broker under clearing agreements with other broker/dealers.

As a Colorado Limited Liability Company (“LLC”), the Company has some of the attributes of a sole proprietorship, a general partnership and a corporation. For tax purposes, it is treated as a partnership. It is essentially a business entity created by contract between the members, much as a limited partnership. The members are protected from personal liability for the acts of the LLC, much like shareholders of a corporation. An LLC also differs from a limited partnership by not imposing personal liability on members for participating in the management of the LLC.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

**Income Taxes**

The Company is taxed as a partnership for federal and state income tax purposes. As such, the Company will not pay income taxes, as any income or loss will be included in the tax returns of the individual members. Accordingly, no provision is made for income taxes in the financial statements.

**Revenue Recognition**

Securities transactions and related commission revenue and expenses are recorded on a settlement date basis.

**Cash and Cash Equivalents**

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

**Concentrations of Credit Risk**

The Company maintains all cash in bank accounts, which at times may exceed federally insured limits. The Company has not experienced a loss in such accounts.



**CHRISTIAN FINANCIAL SERVICES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2009**

**Note 1 – Summary of significant accounting policies (continued)**

**Fair Value of Financial Instruments**

The carrying value of cash, prepaid expenses and accounts payable, approximate fair value because of the short maturity of these items.

**Note 2 – Net Capital Requirements**

The Company is subject to the SEC uniform net capital rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2009, the Company had net capital of \$15,605, which was in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 0% at December 31, 2009.

**Note 3 – Regulatory Provisions**

The Company is exempt from Securities and Exchange Commission Rule 15c3-3 under the provisions of Section (k)(2)(ii) and, therefore, is not required to make the periodic computation for the determination of reserve requirements or information relating to the possession and control requirements under Rule 15c3-3.

**Note 4 – Accounts Receivable**

Accounts receivable represents commissions on the sale of mutual funds due from other broker/dealers. No provision for doubtful accounts has been made because all accounts are considered to be collectible.

**Note 5 – Related Party Transactions**

The Company operates from the personal residence of its owner. No charges for occupancy expenses have been reflected in the financial statements.

**Note 6 – Subsequent Events**

Management of the Company has reviewed all subsequent transactions through February \_\_, 2010, the date the financial statements were available to be issued. It has been determined that there are no subsequent events which require disclosure.

**Christian Financial Services, LLC**  
**Schedule I - Computation Of Net Capital Under Rule 15c3-1**  
**Of The Securities And Exchange Commission**  
**December 31, 2009**

Total member's equity qualified for net capital, from Statement of Financial Condition	\$ 20,605
Less: Total nonallowable assets	<u>(5,000)</u>
Net Capital	<u>\$ 15,605</u>
Aggregate indebtedness - from Statement of Financial Condition	<u>\$ -</u>
Basic net capital requirement	<u>\$ 5,000</u>
Excess net capital	<u>\$ 10,605</u>
Ratio aggregate indebtedness to net capital	<u>0%</u>
Net capital as reported in Company's Part II (unaudited) FOCUS Report as of December 31, 2009:	<u>\$ 15,605</u>

**Christian Financial Services, LLC**  
**Schedule III – Computation for Determination of Reserve Requirements**  
**and Information Relating to the Possession and Control**  
**Requirements Under Rule 15c3-3**  
**December 31, 2009**

Christian Financial Services, LLC, operates pursuant to the Section K (2)(ii) exemption provision of the Securities and Exchange Commission Rule 15c3-3, of the customer protection rules, and does not hold customer funds or securities. Therefore, there are no reserve requirements and no possession and control requirements.



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To the Member of  
Christian Financial Services, LLC

In planning and performing the audit of the financial statements and supplemental schedule of Christian Financial Services, LLC (the "Company"), as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting, as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange (SEC), we have made a study of the practices and procedures followed by the Company, including tests of compliance with such practices and procedures that we considered relevant to the objectives stated in Rule 17-a (5)(g) in the following: making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in the following:

1. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling the responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practice and procedures listed in the preceding paragraph.

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Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described above, and would not necessarily identify all deficiencies in Internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purpose in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicates a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2009, to meet the SEC's objectives.

This report is intended solely for the information and use of the members, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than those specified parties.

  
Denver, Colorado  
February 9, 2010

**CHRISTIAN FINANCIAL SERVICES, LLC**

**REPORT PURSUANT TO RULE 17a-5**

**FINANCIAL STATEMENTS  
AND  
REPORT OF INDEPENDENT AUDITORS**

**AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2009**

**SEC**  
Mail Processing  
Section

FEB 24 2010

Washington, DC  
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